

Funding School Buildings Instead of Students: How State Ready to Learn Block Grants Reward Failing Systems

SUMMARY

- Under the Ready to Learn Block grant, nearly half of the \$565 million increase in 2026 funding goes to 15 school districts. Thirteen of these districts run low-achieving schools.
- School districts represented by Democratic legislators receive more supplemental funding than districts represented by Republican legislators—the 2026 formula increases the gap.
- Despite \$5.4 billion in Ready to Learn funding since 2019-20, statewide proficiency rates continue to decline. On average, supplemental funding increased by 664.5 percent from 2019 to 2026, while the average percentage of students achieving proficiency decreased by 18.8 percent and 21.6 percent on the [Pennsylvania System of School Assessment \(PSSA\)](#) and [Keystone Exams](#), respectively.

TOP BENEFICIARIES

- Districts receive additional funding as a supplement to basic education funding in the state budget through the [Ready to Learn](#) (RTL) program.¹ Fifteen school districts get 47 percent of all RTL funds in 2026–27.
 - Pennsylvania is already a leader in education spending. **Pennsylvania school districts spent \$23,870 per student** in the 2024–25 school year—about \$4,000 more than the national average.
 - In 2024–25, taxpayers spent more than \$38.4 billion on K–12 education at the local, state, and federal level.
 - State support of public schools reached \$18.6 billion in the 2026–27 [state budget](#), an increase of \$5.4 billion (41 percent) in just the last five years.²
- In 2026–27, the statewide adequacy fund per student is \$1,306.51. However, in the Philadelphia City School District, it is \$3,825.50 per student, 240.6 percent higher than the statewide average.³

Top 15 School Districts

Total RTL Funding Change: 2019 - 2026

#	District	County	2019-20 Total RTL	2026-27 Total RTL	Raw Gain	% Change
1	Philadelphia City SD	Philadelphia	\$40,368,660	\$452,820,857	+\$412.5M	+1,021.8%
2	Reading SD	Berks	\$4,785,693	\$81,694,731	+\$76.9M	+1,607.1%
3	Allentown City SD	Lehigh	\$13,914,767	\$75,741,993	+\$61.8M	+444.3%
4	Hazleton Area SD	Luzerne	\$1,675,119	\$38,742,183	+\$37M	+2,212.8%
5	Scranton SD	Lackawanna	\$1,836,814	\$35,495,375	+\$33.7M	+1,832.4%
6	Erie City SD	Erie	\$2,602,655	\$35,960,892	+\$33.4M	+1,281.7%
7	Wilkes-Barre Area SD	Luzerne	\$1,157,796	\$26,320,471	+\$25.2M	+2,173.3%
8	Harrisburg City SD	Dauphin	\$1,807,251	\$26,289,873	+\$24.5M	+1,354.7%
9	Upper Darby SD	Delaware	\$2,073,956	\$26,357,715	+\$24.3M	+1,170.9%
10	York City SD	York	\$1,566,041	\$24,940,574	+\$23.4M	+1,492.6%
11	Lebanon SD	Lebanon	\$1,130,791	\$20,212,170	+\$19.1M	+1,687.4%
12	Norristown SD	Montgomery	\$787,066	\$19,480,149	+\$18.7M	+2,375%
13	Central Dauphin SD	Dauphin	\$1,023,711	\$18,375,385	+\$17.4M	+1,695%
14	East Stroudsburg Area SD	Monroe	\$1,248,758	\$18,153,152	+\$16.9M	+1,353.7%
15	Chester-Upland SD	Delaware	\$1,421,091	\$18,178,731	+\$16.8M	+1,179.2%

Source: Pennsylvania Department of Education, Education Budget

Pennsylvania Department of Education, Historical Subsidy and Grant Information

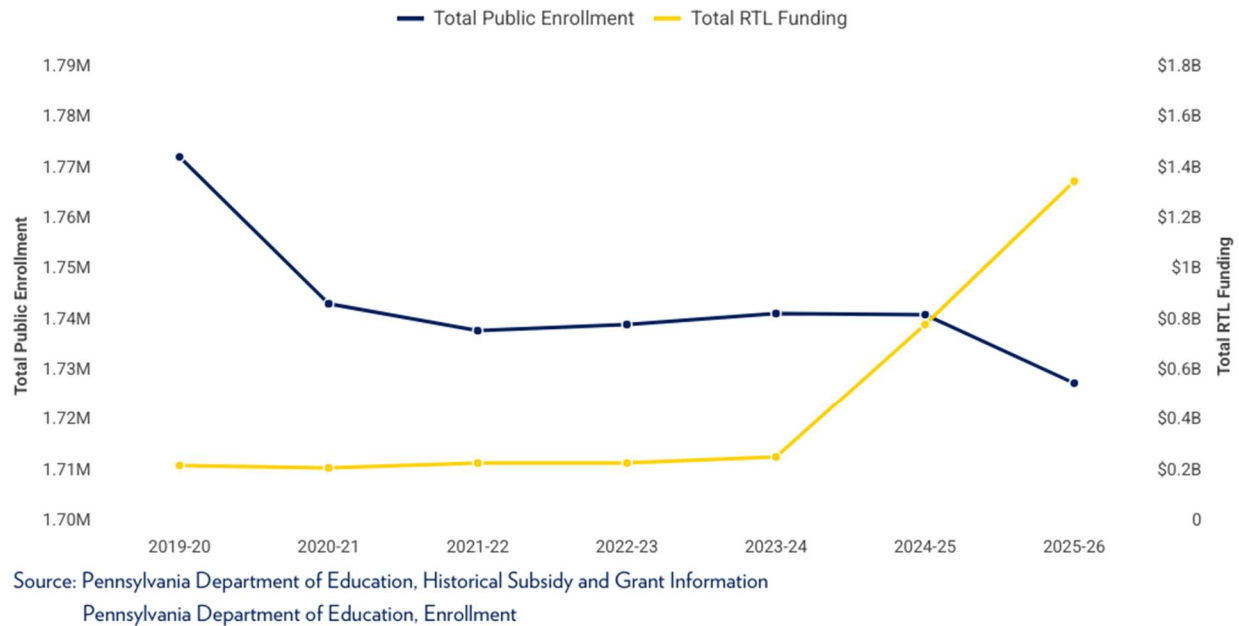
- Democrat lawmakers represent most of these school districts. Overall, school districts in Democrat areas get 46.7 percent more funding than in Republican areas.

THE ACCOUNTABILITY PROBLEM

- RTL funding increases have not improved student performance. The average statewide RTL funding increased by 664.5 percent from 2019 to 2026, while the average percentage of students achieving [proficiency](#) decreased by 18.8 percent on PSSA assessments and 21.6 percent on Keystone Exams.⁴
- The current formulas do not account for academic achievement and punish communities that control school district spending.
- RTL funding [formulas](#) use poverty rates, local property tax burdens, and special education enrollment as criteria to allocate more tax dollars.⁵ Unlike the Fair Funding Formula, adequacy funding is not based primarily on student enrollment and includes a hold harmless provision, meaning districts can never receive less funding even if enrollment shrinks.

Student Enrollment vs RTL Funding

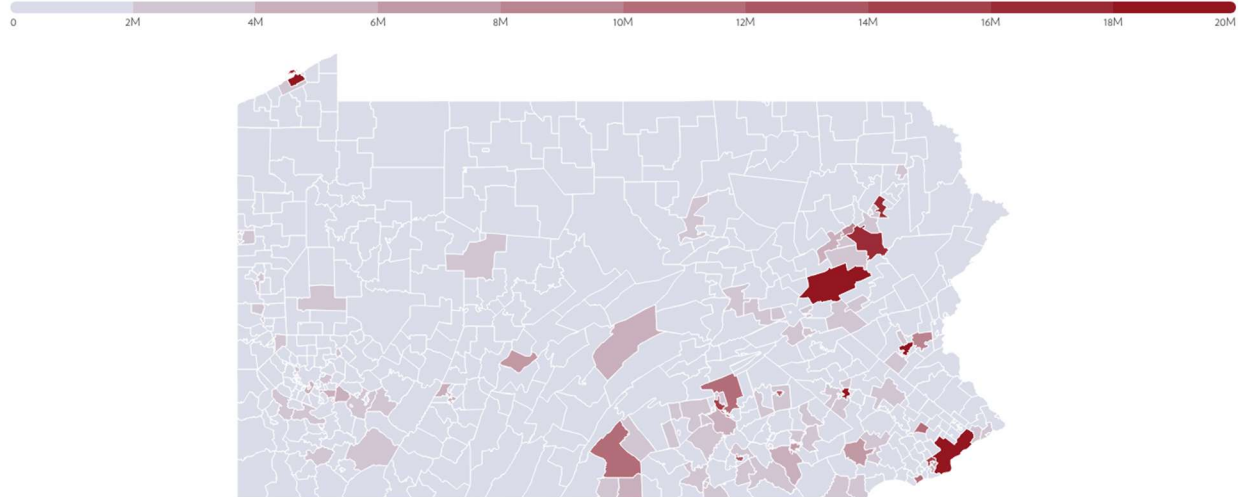
As Enrollment Declines, RTL Funding Increases from 2019 to 2025



SOLUTIONS

- Instead of funding systems, lawmakers should fund students. A student-based funding formula and giving students access to more options will give every child the opportunity to succeed.
- Pennsylvania [families want and need more options](#) beyond the traditional public school. Every year, families seeking alternatives via Pennsylvania's Educational Improvement Tax Credit (EITC) and Opportunity Scholarship Tax Credit (OSTC) programs outnumber awards; in 2023–24 program caps denied [68,817 student applications](#).⁶
- June 2026 [polling](#) by the Commonwealth Foundation shows nearly three out of four (74 percent) Pennsylvanians support expanding tax credit scholarships.⁷
- Participate in the Federal Scholarship Tax Credit (FSTC) starting January 1, 2027. An opt in from Gov. Josh Shapiro will provide millions of dollars in scholarships to Pennsylvania kids in addition to the Keystone State's EITC and OSTC.

Adequacy Dollar Increase (2025-26 to 2026-27)



¹ Pennsylvania Department of Education, "Ready to Learn Block Grant," accessed August 11, 2026, <https://www.pa.gov/agencies/education/programs-and-services/schools/grants-and-funding/school-finances/ready-to-learn-block-grant>.

² Nathan Benefield, "What You Need to Know About Pennsylvania's 2026–27 State Budget Deal," July 12, 2026, <https://commonwealthfoundation.org/research/pennsylvania-state-budget-2026/>.

³ Note: Based on the 2025–26 Public School Enrollment and budget numbers for fiscal year (FY) 2026-27 on total RTL Funding.

⁴ Pennsylvania Department of Education, "Assessment Reporting," accessed August 11, 2026, <https://www.pa.gov/agencies/education/data-and-reporting/assessment-reporting>.

⁵ Pennsylvania Department of Education, "Ready to Learn Block Grant," accessed August 11, 2026, <https://www.pa.gov/agencies/education/programs-and-services/schools/grants-and-funding/school-finances/ready-to-learn-block-grant>

⁶ Stephen Bloom, Pennsylvania House Republican Policy Committee Hearing on Educational Choice in the Commonwealth, January 23, 2026, (prepared testimony on behalf of the Commonwealth Foundation), <https://commonwealthfoundation.org/research/pennsylvania-students-will-thrive-with-educational-choice/>; Rachel Langan, "Pennsylvania's Education Tax Credit Scholarships: How EITC Serves Children and Families in the Commonwealth, 2nd Edition" (Commonwealth Foundation, May 13, 2026) 8–9, 17, <https://commonwealthfoundation.org/research/pennsylvania-students-will-thrive-with-educational-choice/>.

⁷ Commonwealth Foundation, "New Poll: Pennsylvanians Reject Shapiro's Budget, Demand More Educational Choice, and Oppose Costly Energy Mandates," release, June 24, 2026, <https://commonwealthfoundation.org/2026/06/24/new-poll-pennsylvanians-reject-shapiros-budget-2026/>.